

## COUNTY OF PLACER FACILITY SERVICES DEPARTMENT

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JAMES DURFEE, DIRECTOR MARY DIETRICH, ASSISTANT DIRECTOR ALBERT RICHIE, DEPUTY DIRECTOR WILL DICKINSON, DEPUTY DIRECTOR JOEL SWIFT, DEPUTY DIRECTOR

March 3, 2009

«OwnerName»

«OwnerAddress1»

«OwnerAddress2»

«OwnerAddress3»

RE:

NOTICE OF PUBLIC HEARING TO CONSIDER A SEWER USER FEE INCREASE PLACER COUNTY SEWER SERVICE AREA NO. 28, ZONE NO. 24 (APPLEGATE SEWER)

Assessor's Parcel Number: «APN APN»

Situs Address: «SiteAddress»

## Dear Customer:

Our records indicate that you are the owner of the property identified by the assessor's parcel number shown above. Sewer service to this parcel is provided by Placer County Service Area (CSA) No. 28, Zone No. 24 (Applegate Sewer). On May 12, 2009 at 11:00 a.m., the Placer County Board of Supervisors will hold a public hearing to consider an increase to the sewer user fee charged to Applegate Sewer customers. The Board will also consider written protests concerning the increase. The hearing will take place in the County Administrative Center, Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn CA 95603. You may attend the hearing in person or send written comments to the Board at the same address.

The current sewer service charge for a single unit of service is \$77.06 per month. The County proposes to increase this fee to \$82.00 per month effective July 1, 2009. This increase is necessary because Applegate Sewer is a small CSA whose operating costs consistently exceed revenues due to difficult regulatory compliance challenges.

The Applegate Sewer CSA consists of a wastewater collection system and treatment facility serving 27 connections. The wastewater treatment plant was constructed in 1975 and consists of three unlined storage ponds. The ponds are located over rocky soil in an area with high groundwater and spring activity. During the winters of 1995-2000 and 2005, the ponds were unable to contain the incoming wastewater and rainwater and consequently discharged treated wastewater to an adjacent creek. These discharges were violations of the treatment plant permit issued by the Central Valley Regional Water Quality Control Board (CVRWQCB). The CVRWQCB has issued several enforcement actions in response to these discharges.

On October 10, 2006, the County signed an agreement with the CVRWQCB that established the terms and conditions for settlement of the enforcement actions. These terms included the

11476 C Avenue Auburn CA 95603 Entrance at 2855 2nd Street Notification of Proposed Rate Increase March 3, 2009 Page 2

construction of a pipeline to convey flows from Applegate to the Sewer Maintenance District 1 (SMD 1) collection system. Until this is complete, all wastewater discharged in the district must be stored and trucked to the SMD 1 collection system. Consultants for the CSA have recently completed a pre-design report for the pipeline and have begun the environmental review process.

Annual revenue for the Applegate Sewer CSA averages \$35,000 per year. Annual operating expenses are approximately \$200,000 per year, leaving a funding shortfall of \$165,000 per year. The District has no reserves. Over the last few years, Applegate Sewer has received \$1,348,000 in CSA Revolving Fund Loans to cover operational and capital costs. These loans are still outstanding.

In order to improve the financial solvency of the Applegate Sewer CSA and move forward with the pipeline construction project, staff intends to make the following recommendation to the Placer County Board of Supervisors on May 12, 2009:

- 1. Forgive existing debt totaling \$1,348,000 owed by the Applegate Sewer CSA to the CSA Revolving Fund.
- Provide approximately \$3,900,000 in contributions from the General Fund to begin construction of the pipeline and lift station to convey wastewater to the SMD 1 system.
- 3. Provide additional contributions from the General Fund to backfill operating shortfalls through July 1, 2013. Estimated cost \$300,000.
- 4. Increase fees charged to Applegate sewer customers as outlined above.

The recommended fee is the monthly rate for a single-family residence. Most customers are billed for this service on their annual property tax statement. If your parcel is used for purposes other than a single-family residence, you may be billed more or less than the listed amount. If you are unsure as to the number of units of service your parcel is billed for, please feel free to call the telephone number listed below for clarification.

If you object to the proposed increase in the monthly service charge described in this notice, you may file a written protest with the Clerk of the Board of Supervisors. Written protests can be mailed, presented at the public hearing, or personally delivered to: Clerk of the Board of Supervisors, County of Placer, 175 Fulweiler Avenue, CA 95603.

A valid protest must contain:

- A description of the property (such as an address and/or assessor's parcel number) that
  is sufficient to identify the property.
- Written evidence that the signer is the owner of the property, if the signer is different than the person to whom this notice is addressed.

If a majority of affected property owners file written protests, the proposed rate change will not be imposed. State law provides that only the written protests of property owners may be considered to determine if a majority protest exists. No more than one protest per property may be submitted.

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To obtain additional information regarding the proposed fee increase, you may attend the Weimar/Applegate/Colfax Municipal Advisory Council meeting at 7:00 p.m. on April 15, 2009 at the Colfax Veterans Memorial Hall, located at 22 Grass Valley Street West, Colfax, California or call (530) 889-6846. You may also visit our website at <a href="https://www.placer.ca.gov/sewer">www.placer.ca.gov/sewer</a>.

Respectfully,

James Durfee, Director

**Facility Services Department** 

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